

March 2, 2011

Moore & Van Allen

Elizabeth M. Murphy, Secretary
Securities and Exchange Commission
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Reference S7-40-10

Re: Dodd-Frank Act, Section 1502, Conflict Minerals

Dear Sir or Madam,

This firm is submitting these comments on behalf of our client, Nucor Corporation (“Nucor”) in regard to the proposed rules relating to certain conflict minerals, (as defined in the proposed rules, “Conflict Minerals”) published by the Securities and Exchange Commission (the “SEC”) implementing Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”). Nucor is North America’s largest recycler and uses predominantly scrap steel to produce new steel products. Nucor is concerned that the rules proposed on December 15, 2010, relating to Conflict Minerals originating from the Democratic Republic of the Congo and the adjoining countries (the “DRC Countries”), may have some unintended consequences with regard to the treatment of scrap and recycled materials.

These concerns are two fold:

- 1) The supply chain for scrap and recycled metals processors is highly diversified and complex and practical implementation of a due diligence requirement would be costly while providing no benefit to the goal of eliminating support for armed groups in the DRC Countries.
- 2) The proposed rules would create a perverse disincentive for manufacturers to purchase recycled materials that would undermine sustainability and environmental efforts, as well as provide an unfair competitive advantage to mineral processors using directly mined minerals.

Supply Chain of Recycled Scrap Metals and Minerals

The proposed rules provide that if a manufacturer’s products contain Conflict Minerals originating from scrap or recycled sources, the manufacturer is required to conduct due diligence to determine that the Conflict Minerals were in fact recycled or scrap and to furnish an audited report (the “Conflict Minerals Report”). Because there is no de minimis exemption for products containing Conflict Minerals, one can only conclude that end-user or post-consumer products containing Conflict Minerals that are recycled and processed into new products would be subject to the proposed rules. To conduct due diligence on the multiple sources of scrap metal would be extremely difficult, costly and ultimately impossible to trace any material back to a country of origin. The scrap metal market is highly diversified and scrap sourced from many different brokers, consolidators and processors could be used to produce a product containing Conflict Minerals. As proposed, the rules would require a manufacturer to conduct due diligence to determine that their Conflict Minerals were recycled or scrap. As a practical matter this would **both** be incredibly difficult and costly due to the complex nature of the scrap metal market.

We also noted from the proposed rules a concern that Conflict Minerals originating from the DRC Countries could be processed or recycled to take advantage of the special treatment in the proposed rule for recycled or scrap materials. This concern is misplaced given that manufacturers would still need to conduct a reasonable inquiry into the source of their Conflict Minerals that would go significantly deep into the supply chain before it was determined that their Conflict Minerals originated from a recycled or scrap source, generally understood to mean reclaimed from end-user or post-consumer products and would not include partially processed minerals. In addition, issuers would still be accountable to the SEC if they provide any fraudulent information in their required disclosures.

In addition to the high cost and difficulty in conducting the due diligence required by the proposed rules, Congress' goal of preventing money from supporting armed groups in the DRC Countries would not be furthered in any way. If a manufacturer, after reasonable inquiry, determines that its Conflict Minerals were derived from recycled or scrap sources, further due diligence, the creation of a Conflict Minerals Report and an audit serve no significant function either for investors or to prevent the funding of armed groups in the DRC Countries. Heightened due diligence would likely result in no additional relevant information on the source of the recycled materials due to the complexity of scrap market. In addition, by their nature, recycled and scrap materials have already been paid for and the purchase of recycled or scrap minerals could not support armed groups operating in the DRC Countries. In fact, the purchase of recycled or scrap Conflict Minerals serve as competition for the mined minerals that are supporting armed groups in the DRC Countries. As such, conducting a heightened level of due diligence combined with an audited Conflict Minerals Report would not do anything to further the goal of depriving these armed groups of funding.

The Proposed Rules Create a Disincentive to Purchase Recycled and Scrap Materials

We do not believe it was the intent of Congress to undermine sustainability and environmental efforts by passing Section 1502 of the Dodd-Frank Act. However, the practical effect of the proposed rules would do just that. In many situations a manufacturer using recycled materials would be forced to file a Conflict Minerals Report and conduct due diligence for any Conflict Minerals in its products, whereas a manufacturer using minerals mined from a "conflict-free" mine would not. This creates a disincentive for a manufacturer to source its materials from recyclers and scrap processors.

We do not believe Congress intended to discourage manufacturers from using recycled materials. The more manufacturers use recycled and scrap materials, the less need there is for these minerals to be mined from the ground, thereby creating a more sustainable supply of valuable resources. In addition, recycled and scrap minerals act as direct competition to the armed groups in the DRC Countries, by reducing demand for new Conflict Minerals originating from the DRC Countries. Yet, the proposed rules would create a disincentive for manufacturers to purchase raw materials such as steel containing tungsten if the tungsten came from a recycled source due to the additional burdens imposed by the proposed rules for recycled or scrap Conflict Minerals.

In addition, the burden on recycled Conflict Minerals that is not present for Conflict Minerals originating from a conflict-free mine creates an unfair competitive advantage in the market. It would seem that a fairer system would be to create parity between Conflict Minerals mined from conflict-free mines and recycled or scrap materials because neither source supports armed groups in the DRC Countries in any way. The SEC should only impose additional burdens

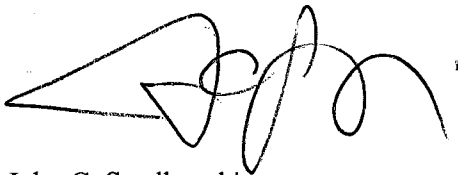
on Conflict Minerals that are known to originate from the DRC Countries. The SEC should provide that manufacturers have no further obligations if a reasonable inquiry determines that a manufacturer's Conflict Minerals were recycled or scrap, thereby creating a competitive disadvantage only for manufacturers that source minerals from the DRC Countries.

Recommendation for Alternative Treatment of Recycled or Scrap Conflict Minerals

We urge the Commission to reconsider its treatment of scrap and recycled Conflict Minerals. Rather than treat recycled or scrap Conflict Minerals as "conflict free," a wiser approach would be to treat recycled or scrap Conflict Minerals as "not originating from the DRC Countries." We see no provision in Section 1502 of the Dodd-Frank Act that would require due diligence and the creation of a Conflict Minerals report for recycled or scrap Conflict Minerals and such an exemption for recycled and scrap materials is consistent with the intent of Congress to regulate ore and metal made directly from minerals mined in the DRC Countries. We believe recycled and scrap Conflict Minerals should have parity with Conflict Minerals originating from a conflict-free mine so as to encourage manufacturers to use recycled and scrap materials, to reduce the demand for minerals that would support armed groups in the DRC Countries and to maintain a fair market for metals and minerals. This could be accomplished by providing that after a manufacturer conducts a reasonable inquiry into the source of its Conflict Minerals no further action is required if either: (1) the minerals were determined to originate not from a DRC Country, or (2) the minerals originated from a scrap or recycled source.

Thank you for your time and consideration of this matter.

Sincerely,
MOORE & VAN ALLEN PLLC

A handwritten signature in black ink, appearing to read 'John C. Saydlowski', written over a horizontal line.

John C. Saydlowski
Member